

FISCAL NOTE

Bill #: HB0290

Title: Revise driver license renewal law

Primary

Sponsor: Cliff Trexler

Status: As introduced

Sponsor signature	Date	Dave Lewis, Budget Director	Date
-------------------	------	-----------------------------	------

Fiscal Summary

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
Expenditures:		
General Fund	\$74,402	\$15,165
Revenue:		
General Fund	\$60,660	\$60,660
State Special Revenue		
Federal Special Revenue		
Other		
Net Impact on General Fund Balance:	(\$13,742)	\$45,495

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact	X		Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts

Fiscal Analysis

ASSUMPTIONS:

Secretary of State

- For purposes of CI-75, the incremental cost for the Secretary of State's Office (SoS) Voter Information Packet (VIP) is \$8,673 plus county distribution costs of \$30,702 for a total of \$39,375. The SoS is to receive a general fund appropriation of this amount. A statewide, non-general election has a base cost of \$690,000 for the counties and \$46,987 for the state for total general fund of \$736,987. General fund will be appropriated in HB2 to the SoS for this statewide base cost and all the cumulative per-ballot-issue marginal costs at the end of the session.

Department of Justice (DOJ)

2. Conversion to an 8-year driver's license for individuals between the ages of 21 and 67 will be completed in October 1999. The conversion to the 8-year driver's license was designed to decrease, by half, the number of individuals required to renew their drivers license for those between the ages of 21 and 67. Approximately 80% of the 674,438 individuals issued Montana drivers licenses are in the 21-67 age range and issued an 8-year drivers license.
3. If this bill passes, approximately 67,400 individuals would be eligible to participate in the driver license renewal option each year provided by this bill. $(674,438 \times 80\% = 539,550 \text{ divided by } 8 \text{ year renewal period} = 67,443)$
4. 90% of those eligible would pay the \$1.00 fee to participate. $(67,400 \times 90\% = 60,660)$ Therefore, annual general fund revenues would be approximately \$60,660. $(60,660 \times \$1 = \$60,660)$
5. It will be necessary to contract for programming with an outside vendor since DOJ programming staff are committed to completing the current backlog of more than 9,000 hours of programming necessary to comply with 1997 Legislative changes. One-time expenses for programming changes required by the passage of this bill are projected to cost \$16,200 plus \$3,662 for increased computer processing charges generated during programming and system testing, or a total of \$19,862 during FY 2000. $(216 \text{ hours at } \$75/\text{hour} = \$16,200 + \$3,662 = \$19,862)$
6. Annual operating costs would be approximately \$0.25 for each card printed and mailed, or approximately \$15,165. $(60,660 \times \$0.25/\text{ea} = \$15,165)$
7. Depending upon the effective dates of legislation passed during this Legislative session, there may not be sufficient time to complete the programming and implementation required by this bill if approved by the electorate.
8. If this bill is passed, revenues in FY 2000 could be less depending upon when this legislation is approved by the electorate.

Montana Association of Counties (MACO)

9. This bill has no fiscal impact to local governments.

FISCAL IMPACT:

	<u>FY2000</u>	<u>FY2001</u>
Department of Justice	<u>Difference</u>	<u>Difference</u>
<u>Expenditures:</u>		
Operating Expenses	\$35,027	\$15,165
<u>Funding:</u>		
General Fund (01)	\$35,027	\$15,165
<u>Revenues:</u>		
General Fund (01)	\$60,660	\$60,660
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
General Fund (01)	\$25,633	\$45,495

(continued)

Secretary of State	FY2000	FY2001
	<u>Difference</u>	<u>Difference</u>
<u>Expenditures:</u>		
Operating Expenses	\$8,673	\$0
Transfers	<u>30,702</u>	0
TOTAL	\$39,375	
 <u>Funding:</u>		
General Fund (01)	\$39,375	\$0
 <u>Revenues:</u>		
General Fund (01)	\$0	\$0
 <u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
General Fund (01)	(\$39,375)	\$0

TECHNICAL NOTES:

Department of Justice

1. Depending upon the effective dates of legislation passed during this legislative session, there may not be sufficient time to complete the programming and implementation required by this bill if approved by the electorate.